Dispute Process

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Agenda

- What is a Dispute
- Definitions
- Transaction Lifecycle
- Chargeback Process
- Transaction Dispute Process (Cardholder & BoA Responsibilities)
- Frequently Asked Questions

What is a Dispute?

- A dispute occurs when a cardholder questions or challenges the validity of a transaction and requests that it be temporarily removed from the balance owed.
- Only transactions or charges can be placed in dispute. Fees, (such as ATM or convenience check fees), balances and payments CANNOT be placed into dispute

Definitions

Dispute:

A disagreement between the cardholder and the merchant, a processing error or an unrecognized transaction

Credit:

A transaction initiated by a merchant to effect a credit (refund) to a cardholder's account

Chargeback:

A procedure where the issuer (Bank of America) charges all or part of a transaction back to the merchant in accordance with Visa or MasterCard regulations

Transaction Dispute Facts

- Cardholders or APCs should first attempt to resolve service related disputes directly with the merchant
- All disputes must be filed in writing within 60 days of the date the charge first appears on the statement
- The dispute must be followed up with any supporting documentation as required by Visa or MasterCard rules and regulations
- Any request for additional information that remains unanswered will nullify and void the dispute

Transaction Dispute Facts

- Once the signed dispute form is received (within the 60 day timeframe) and the claim is placed into a dispute status, a provisional credit will appear on the account
- Disputes must include account number, cardholder name, dollar amount of claim, the reason for dispute and cardholder signature
- Once the dispute case is set up, the charge back process begins

Transaction Dispute – Cardholder Responsibility

- Reconcile statement
- If the validity of a charge is in question, then the cardholder must first contact the merchant
- If the cardholder can not settle the dispute with the merchant, then they must fill out and send in written documentation (signed dispute form) to Bank of America

Transaction Dispute – Issuer Responsibities

- Acknowledge receipt of the dispute
- Track progress related to the dispute
- Provide sales draft copy if requested
- Investigate disputed transaction through resolution
- Provide temporary credit
- Chargeback merchant if appropriate
- Comply with Visa/MasterCard regulations

Transaction Dispute – Merchant Responsibility

- Provide sales draft to issuer within 45 days of request
- Credit cardholder's account if error occurred
- Respond with proof of valid charge if no error identified

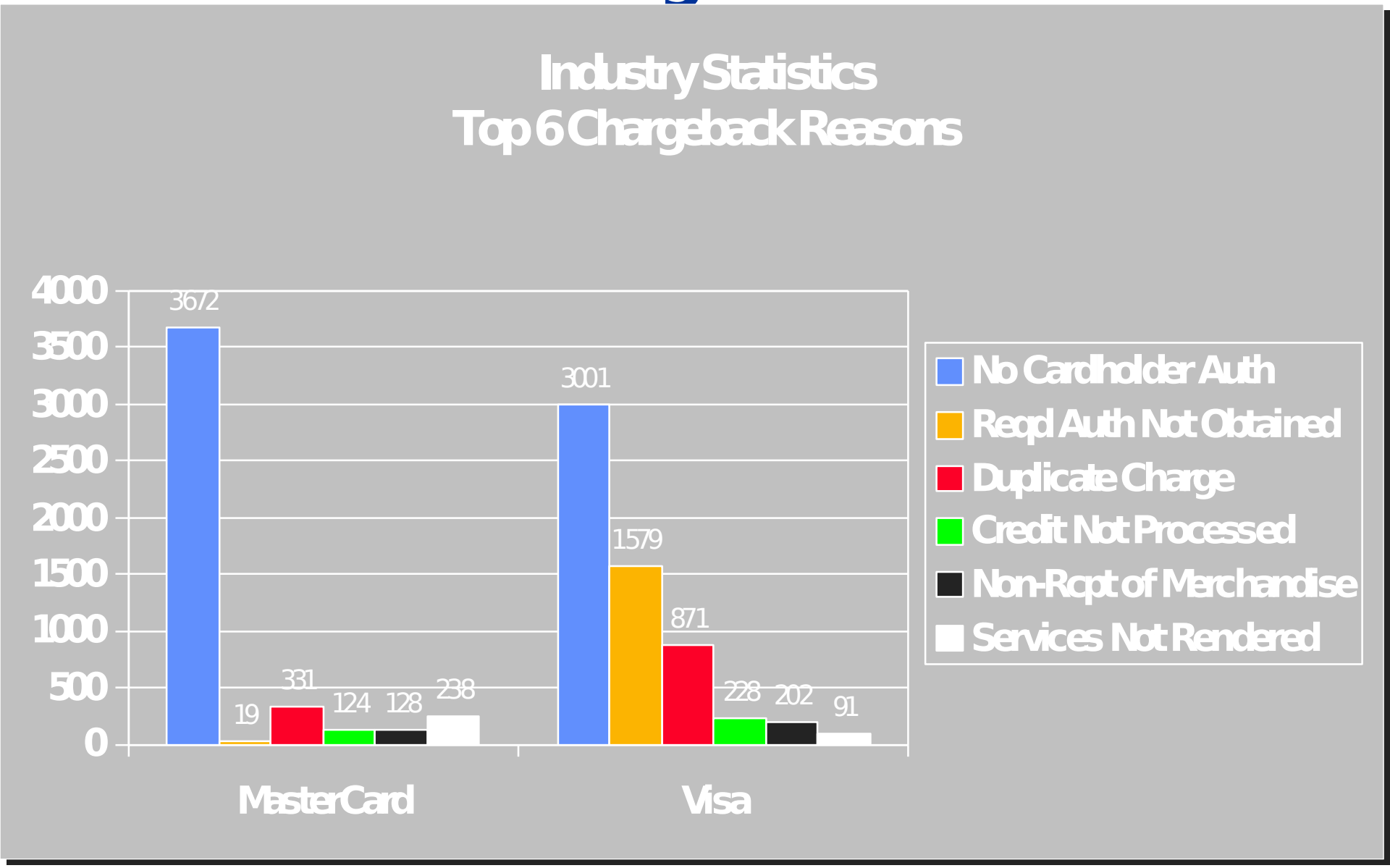
Items Not Subject to Dispute

- Bank Fees
- Agency Fees
- Car Rental Damages
- Charges due to non-adherence to cancellation policies
- Recurring Billings
- Convenience Checks
- Traveler’s Checks

Basic Charge Back Categories

- No cardholder authorization (potential fraud)
- Credit not processed
- Non-receipt of merchandise
- Duplicated charges
- Services not rendered
- Requested authorization not obtained

Basic Charge Back Categories



The Chargeback Process

Definition:

A charge back is a procedure where the issuer (Bank of America) charges all or part of a transaction back to the Merchant in accordance with Visa/MasterCard regulations

1. Chargebacks are initiated by the issuer
2. All parties have rights and must provide accurate information while meeting specific timeframes

The Chargeback Process

- Resolution
  - Disputes can take up to 3 billing cycles to resolve
  - Merchant will issue credit or resubmit with proof of valid charge
  - If not resolved, the dispute will be submitted for arbitration

Frequently Asked Questions

- **Who can initiate a dispute?**
  - Cardholder or A/OPC, however, the cardholder is usually best able to provide details about the dispute and answer questions
- **How does a cardholder dispute bank fees such as ATM fees posted more than once of for the an incorrect amount?**
  - Fees cannot be “disputed”, however, the cardholder or A/OPC may contact GCSU at 1.800.472.1424 to correct inaccurate fees.
- **How long does it take to resolve a dispute?**
  - Resolution may take up to 180 days